

# **Chapter 58 Implementation Report Update No. 3**

Governor Mitt Romney  
Lieutenant Governor Kerry Healey  
Secretary of Health and Human Services Timothy Murphy

October 13, 2006

Speaker Salvatore F. DiMasi, Massachusetts House of Representatives  
President Robert E. Travaglini, Massachusetts Senate  
Chairwoman Patricia A. Walrath, Joint Committee on Health Care Financing  
Chairman Richard T. Moore, Joint Committee on Health Care Financing  
Chairman Robert A. DeLeo, House Committee on Ways and Means  
Chairwoman Therese Murray, Senate Committee on Ways and Means

Dear Senators and Representatives:

Pursuant to section 132 of Chapter 58, I am pleased to provide the General Court with the third update on Chapter 58 implementation progress. As you know, on Monday, October 2<sup>nd</sup>, Governor Mitt Romney and the Commonwealth Health Insurance Connector Authority executives and board members officially launched the Commonwealth Care program at Neponset Health Center in Dorchester. The launch and acceptance of the first Commonwealth Care application were milestones in the implementation of the provisions of Chapter 58, a culmination of hard work by the Executive Office of Health and Human Services, MassHealth, the Commonwealth Health Insurance Connector Authority, the General Court, advocacy groups and others in the community. While much work lies ahead to implement Chapter 58, we all can be proud of what has been accomplished to date. We are truly making progress towards our goal to insure each citizen in the Commonwealth.

To that end, as of October 11, 5,229 people have been qualified for Commonwealth Care and 35 have formally enrolled into health plans. The Connector estimates that 60,000 people with incomes at or below 100% of the federal poverty level will be determined eligible for Commonwealth Care by January 1, 2007. Thanks to the Commonwealth Care program, these individuals and families will now have access to health insurance.

To support MassHealth expansions and Commonwealth Care, the Executive Office of Health and Human Services will be awarding approximately \$2.7 million in grants to community and consumer-focused public and private non-profit organizations for outreach and enrollment into these programs by the end of October. These grants will tap into the expertise of local grassroots organizations and organizations with statewide marketing experience to reach people who are not insured in our Commonwealth and inform them of the new health insurance resources available to them.

Beginning in January 2007, the Connector will begin the next phase of enrolling eligible uninsured residents with incomes up to 300% of the federal poverty level into the Commonwealth Care program. In the spring 2007, the Connector plans to offer commercial health insurance plans to individuals not eligible for the Commonwealth Care program. Work on this portion of health care reform is underway. We will keep the General Court apprised of progress in these areas in future reports.

In the meantime, if you would like any further information on the activities summarized in this report, do not hesitate to contact me or my staff.

Sincerely,

Timothy R. Murphy,  
Secretary

Cc: Senator Brian P. Lees  
Representative Bradley H. Jones  
Representative Ronald Mariano  
Representative Robert S. Hargraves

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## **Section 1: MassHealth Update**

The Office of Medicaid reports the following progress on Chapter 58 initiatives:

Insurance Partnership Expansion and Changes: On October 1, 2006, MassHealth successfully implemented an increase in the income limits for eligibility in the Insurance Partnership (IP) from 200% to 300% of the federal poverty (FPL). The premiums for eligible individuals and families in this expanded income cohort are lower than the recently announced Commonwealth Care premiums in order to encourage individuals and employers to participate in the Insurance Partnership program.

Enrollment Information for Children's Expansion up to 300% FPL: As of September 30, 2006, MassHealth enrolled 11,894 new/converted Children's Medical Security Plan members from as a result of the expansion of MassHealth Family Assistance coverage to children up to age 18 in households with incomes over 200% and up to 300% of the FPL. MassHealth has completed conversion of eligible children enrolled in the Children's Medical Security Plan into Family Assistance.

Outreach Grants: MassHealth and the Commonwealth Health Insurance Connector Authority (Connector) released a Request for Response (RFR) on September 9 to solicit grant proposals from community and consumer-focused public and private non-profit organizations for activities directed at reaching and enrolling eligible Commonwealth residents in MassHealth programs or the Commonwealth Care program. Organizations may apply for one of two types of grants. The first grant type, Model A, is for traditional community-based outreach, enrollment and re-determination services. Grantees must develop effective community-based strategies for reaching and enrolling eligible individuals into MassHealth programs or the Commonwealth Care program. The second grant type, Model B, is for integrated outreach and marketing campaigns. Grantees must develop and conduct comprehensive broad-scale media or grassroots campaigns targeting individuals potentially eligible for either program.

Approximately \$2.7 million in grant awards will be made by the end of October 2006. Funding will be awarded to qualified organizations statewide, including in places where the U.S. Census deems there is a high percentage of uninsured individuals and in areas where there is a limited number of health care providers. The Executive Office of Health and Human Services (EOHHS) anticipates approximately 50% of the funding will be awarded to most qualified organizations submitting proposals for Model A grants in the form of mini-grants ranging between \$30,000-\$67,000, and that approximately 50% of the funding will be available for a relatively small number of qualified organizations submitting proposals for Model B grants.

MassHealth Essential Update: As of August 31, 2006, 51,224 individuals were enrolled in MassHealth Essential. With an enrollment cap of 60,000 MassHealth Essential still has room to enroll additional eligible people into the program. MassHealth does not anticipate having to reinstate a waiting list.

## **Section 2: Connector Authority Update**

### ***Commonwealth Care Health Insurance Program***

The Commonwealth Care program has begun enrolling people with the implementation of Phase I: enrolling eligible individuals with household incomes at or below 100% FPL. The first application was received on October 2. As of Oct. 11, 5,229 individuals have been qualified, and 35 are formally enrolled in plans. The Connector estimates that by January 1, 2007, 60,000 people will be determined eligible for Commonwealth Care.

In January the Connector will roll out Phase II of Commonwealth Care, which will offer coverage to qualifying individuals whose incomes fall in the greater than 100% up to 300% FPL range. This group will pay subsidized premiums to participate. In this phase, the Connector expects to enroll approximately 100,000 individuals.

Contracting: The Connector has signed contracts with the four Medicaid managed care organizations (MCOs) to provide services to Commonwealth Care plan enrollees. The Connector also finalized and signed a contract with Maximus to provide customer service and handle premium billing for Commonwealth Care.

### ***Communications & Outreach***

Board Outreach Committee: The Board Outreach Committee convened in August 2006 and finalized Outreach Goals for Commonwealth Care during its September 19, 2006 meeting. The following are the Outreach Goals and Strategies:

#### Goal 1 – Branding and Messages

*Objective 1:* To develop an identifiable, accessible, and approachable presentation of Commonwealth Care that targets people across the state and in various demographic categories. The value proposition of the Commonwealth Care program for people who must contribute toward premiums is inversely related to health status, therefore branding should appeal to the young and healthy as well as those who utilize significant medical care. (The largest segment of the uninsured is single males between 19 and 34 years old.)

*Strategy:* Develop a one-page literature/pamphlet, poster and member handbook with active, vibrant scenes and colors; involve sports teams as much as possible as sponsors, use sporting events as venues for promotional opportunities, along with other similar approaches. A key message will be to stress primary and preventive care.

*Objective 2:* To provide to consumer and community-based organizations, front-line outreach workers, employers, Taft-Hartley funds, medical providers, access points to the Virtual Gateway, all health plans in the Commonwealth, and to

potentially eligible individuals a brief, easily understandable description of Commonwealth Care and its benefits for enrollees.

*Strategy:* Develop a glossy, colorful, one page hand-out on Commonwealth Care, one side in English and the other side in Spanish, for distribution through multiple sites to uncompensated care pool (UCP) users. This includes distributing self-mailers to known UCP users, for whom the state has their addresses.

*Objective 3:* To provide to consumer and community-based organizations, front-line outreach workers, employers, Taft-Hartley funds, medical providers, access points to the Virtual Gateway, all health plans in the Commonwealth and to potentially eligible individuals information regarding the Commonwealth Care Health Insurance program that they may apply for, what they must do to apply, and contacts for assistance with applying for the benefit and, if eligible, enrolling into a health plan.

*Strategy:* Develop a pamphlet, talking points and “Q & As” providing application and enrollment information. Materials will identify MassHealth enrollment centers and community providers as places to go to fill out, receive assistance with and submit Commonwealth Care applications, and a 1-800 number for health plan enrollment inquiries. List on Connector Web site access points, including telephone numbers and addresses, where individuals can receive face-to-face contact for enrollment assistance and information. All workers at the Connector customer service center (1-800-MA-ENROLL) will also have this information. Provide copies of Commonwealth Care poster to same group of people and/or entities identified in Objectives 2 and 3.

Separate materials must be available prior to the dates below, tailored to the following populations/options:

- a) 10/01/06 for households with income under 100% FPL
- b) 01/01/07 for households with income over 100%fpl up to 300% FPL

## Goal 2 - Targeting Audiences

*Objective:* Identify and reach large audiences of the uninsured in Massachusetts who may be eligible for the Commonwealth Care program and, if employed, their employers.

*Strategy:* Use the Blue Cross/Blue Shield Foundation study and other studies, as well as focus groups, to profile target uninsured audiences by: age, gender, family status, employment type and (including names of large employers of the uninsured), geography, spoken language(s), race, housing and lifestyle. Based upon demographic of target groups, identify additional languages for translation of materials developed for Goal 1. Also identify the employers of the uninsured and business associations as part of the target population for information dissemination. Examples include the retailers and restaurant associations.

Identify community centers and leaders, including business leaders and associations, for the various groups identified above; work with these organizations and leaders to develop concepts, ideas, and initiatives designed to reach and motivate these target markets; hold focus groups among the target audiences to test concepts and approaches.

### Goal 3 - Cost-Effective Vehicles

*Objective:* Maximize the effectiveness of limited marketing dollars and tailor that spending to reaching the eligible population.

*Strategy:* Concentrate on outreach through community-based organizations, patient access managers, earned media, direct mail, public talks and such other low-cost vehicles as Public Service Announcements.

### Goal 4 - Training

*Objective:* To provide ongoing “train-the-trainer” sessions to community outreach organizations, including the Health Access Network, state agency human service caseworkers and other front-line outreach workers regarding eligibility and applying for the Commonwealth Care program and enrolling into participating health plans.

*Strategy:* Work with MassHealth enrollment workers and trainers, if available, to set up “train-the-trainer” sessions in the Greater Boston area, Central Massachusetts and Western Massachusetts. Create a notebook of rules, decision-support and “FAQs” for the 100%-and-under FPL and for the 101-200% FPL and for the 201-300% FPL offerings. Trainings must be completed by the following dates indicated below and for the following populations:

- a) 10/01/06 for households with income under 100% FPL
- b) 01/01/07 for households with income over 100% FPL up to 300% FPL

### Goal 5 - Decision-Support

*Objective:* To provide a few simple criterion for selecting a Commonwealth Care health insurance plan, and to educate enrollees about how to use their health insurance.

*Strategy:* Develop a one-page guideline, with examples, that can be sent directly to eligible individuals, and will be used by customer service representatives and by patient access managers at hospitals, Community Health Centers, and other access locations. Guidelines would include: Primary Care Physician (PCP) participation in the plan, other providers’ participation, monthly price to the enrollee, out-of-pocket co-payments, the plan’s customer service and general reputation.



#### Goal 6 - Health Education

*Objective:* To educate Commonwealth Care enrollees about how to access health care services and to take good care of themselves. As this is not a short-term goal, messages should be repeated periodically to Commonwealth Care enrollees.

*Strategy:* Require the health plans in the Commonwealth Care program to educate their Commonwealth Care members about fully accessing health benefits available through their plans, about the importance of establishing a relationship with a PCP, and about health promotion, preventive care, and member pursuit of healthy life-styles.

Next steps are to turn the Outreach Goals into a plan with action steps to ensure execution of the goals.

Web Site: On September 14<sup>th</sup> the Connector launched its web site at [www.mass.gov/connector](http://www.mass.gov/connector). The site is still in development and provides basic information about program implementation and Connector activities. As the Commonwealth Care program and the commercial offerings are further developed, the web site will be further designed and developed.

#### ***Commercial Program Development***

The Connector is also working on the implementation strategy for the launch of its commercial products in July. This final phase will involve a substantial amount of planning and negotiation with health plans and other insurers to produce diverse and innovative offerings.

### **Section 3: Technical Corrections**

The General Court is currently considering technical corrections bills to Chapter 58 that contain a number of important amendments to ensure the successful implementation of all provisions of Health Care Reform. The House of Representatives engrossed H. 5240 on July 27, 2006 and the Senate engrossed S. 2717 on August 31, 2006. It is the understanding of EOHHS that the General Court is currently crafting a compromise bill.

The Administration continues to advocate that the Division of Health Care Finance and Policy be able to make technical revisions to the UCP regulations to limit pool eligibility to individuals not eligible for MassHealth or Commonwealth Care programs. This provision is consistent with the goal of ensuring the success of the Commonwealth Care program by enrolling all individuals eligible into this program.

## **Section 4: Individual Mandate Preparations**

The most pressing item on the agenda for the Massachusetts Department of Insurance (DOI) and Massachusetts Department of Revenue (DOR) remains the method for documenting compliance with the individual mandate. The DOI and the DOR have been working closely with the insurance industry and business groups to identify the most efficient and reliable method to ensure successful confirmation of taxpayer responses. The current proposal is to have insurers and self-insured employers send an annual notice to each insured, called the MA 1099-HC (for health care), which would include the policy number, the coverage period, and a representation whether or not the policy in question is "creditable" coverage. Insurers or self-insured employers would also be required to submit the same information to DOR once a year, so that it could be matched with the health insurance information reported on the tax returns. Individuals who file a resident income tax return beginning with the 2007 tax year and claiming to have creditable coverage will transcribe the information from the MA 1099-HC onto the return. The DOI and the DOR are working closely with the insurers and business groups to finalize this approach in the pending health care technical corrections bill.

## **Section 5: Essential Community Provider Grants**

On September 14, 2006 EOHHS awarded \$38 million in competitive grants to hospitals and community health centers across the Commonwealth. Grant funding is provided through the Essential Community Provider Trust Fund. The awards recognize the importance of these providers to deliver high quality services at affordable prices during a critical time for health care reform implementation. Acute care hospitals received \$28.8 million of the grants. Community health centers share \$8.2 million in funding.

For more information about individual provider grant awards, go to [www.mass.gov/eohhs](http://www.mass.gov/eohhs).

## **Section 6: Boards, Councils, Commissions and Reports**

### **Health Care Quality and Cost Council**

The Health Care Quality and Cost Council's (Council) charge is to set quality improvement and cost containment goals for the Commonwealth. The Council will collect cost and quality data from health care providers, pharmacies, payers, and insurers that will be maintained on a website for consumers and purchasers so that there is greater transparency and accountability on the part of providers and insurers to inform better decision-making.

The Council has, as of the filing of this report, met twice as a body and will continue to meet monthly for the foreseeable future. The Council's inaugural meeting served to acquaint members with ongoing efforts of price and quality transparency in the Commonwealth. Presentations by the Division of Health Care Finance and Policy and the National Governor's Association workgroup were given to the Council as primer information to educate members on current initiatives under way in the Commonwealth regarding the improvement of health care quality and cost outcomes.

The Council has also voted to establish four sub-committees to focus on the goals of the full body: Communications; Cost; Quality; and Governance. Sub-committees are meeting to develop goals to present to the Council at its next full meeting on October 17<sup>th</sup>. Charters for each sub-committee are being developed, along with By-Laws to govern the Council's actions and procedures.

### **MassHealth Payment Policy Advisory Board**

The MassHealth Payment Policy Advisory Board's charge is to collect and analyze MassHealth and Division of Health Care Finance and Policy data to evaluate provider rates and recommend rates and rate methodologies that provide "fair compensation for Masshealth services and promote high-quality, safe, effective, timely, efficient...care."

The inaugural meeting of the Masshealth Payment Policy Board is scheduled for October 27<sup>th</sup>.

## **Section 7: Public Health Implementation**

The Department of Public Health (DPH), Center for Community Health reports the following progress on implementation of components of Chapter 58:

### **Prostate Cancer (Men's Health Partnership) (4513-1112) - \$1,000,000**

The Men's Health Partnership is in the process of finalizing targeted outreach efforts including print and radio media for high-risk men, and implementing expanded outreach and care coordination at each vendor site to enhance follow-through for screening and treatment.

### **Stroke Education (4513-1121) - \$200,000**

The following activities are in process: stroke education materials have been translated into Spanish, and follow-up has started to determine further needs of hospitals related to education of both patients and staff and in relation to outreach. Process is underway to expand the number of Public Service Answering Points (PSAPs) with software to ensure that response to stroke and other emergencies are appropriate and consistent.

### **Breast Cancer (Women's Health Network) (4570-1500) - \$4,000,000**

Women's Health Network eliminated the wait list and has expanded screening services. In addition the informational technology system, which will provide further data regarding the women using services, outcome and integration with MassHealth, is being enhanced.

### **Diabetes (4516-0264) - \$350,000**

Health education/communication and community health interventions are being expanded to identify and increase the number of individuals with undiagnosed diabetes or pre-diabetes, or who are at risk for these conditions, to undergo a risk assessment and if appropriate, receive blood testing to screen for diabetes and determine the need for follow-up. Appropriate information about risk reduction is being distributed to individuals who are identified with pre-diabetes or considered to be high-risk, but do not yet have diabetes or pre-diabetes. In accordance with recommendations from the American Diabetes Association, screening would only be undertaken in settings where a health care infrastructure is in place to insure adequate access to health care and follow-up.

### **Ovarian Cancer (4513-1122) - \$200,000**

The Ovarian Cancer Education Initiative will consist of two components for each area: screening and treatment. An external vendor contract is in place which will adapt the Ovarian Cancer National Alliance media campaign, "Until there is a Test, Awareness is Best," for MA women. Women 50 years and older are at the highest risk and will be the targeted population. The second component will be to market the Speakers' Bureau developed by National Ovarian Cancer Coalition (NOCC) through a Gillette Foundation grant. The NOCC has trained 14 ovarian cancer survivors representing all the high-risk groups: women 50 year and older, women with a history of breast and colorectal cancer, Ashkenazi Jewish and other minority women to use the Gillette sponsored educational

CD presentation on ovarian cancer education. Both components will emphasize the importance of women discussing their personal risk of getting ovarian cancer with their physician.

Under the area of treatment there will also be two components. The first will provide all women diagnosed with ovarian cancer with access to a cancer information specialist so that they can share in the decision making about their treatment options. While specially trained cancer information specialists are currently available to everyone in Massachusetts, many newly diagnosed cancer survivors are unaware of this resource. Both the National Cancer Institute and the American Cancer Society have toll free numbers staffed with special trained cancer information specialists. Educating newly diagnosed women to call the toll free number and hear the best practice first course of treatment options will assist them with making important treatment decisions with their physicians. The second component will be to educate newly diagnosed ovarian cancer survivors about the importance of clinical trials as a vital option in expanding the quality and longevity of their lives. Both of these components are in the process of being developed to be implemented at the forty-eight Commission on Cancer approved facilities in Massachusetts.

**Osteoporosis Prevention (4513-1111) - \$100,000**

The Osteoporosis program is beginning the process to include integration of strength training and balance program into the ACCENT program- a nutrition/physical activity initiative for elders that operate out of Councils on Aging (COA). Small grants will be awarded to COAs to implement the enhanced program. The program will explore opportunities for distribution of bone health materials for 18-24 year old women through the Massachusetts Health Promotion Clearinghouse and update the Osteoporosis Directory.

**Multiple Sclerosis (4513-1115) - \$250,000**

These funds are earmarked for the Central New England Chapter of the National Multiple Sclerosis Society to support its Multiple Sclerosis Home Living Independently Navigating Key Services (HomeLINKS) program. A contract is in place and services have been expanded

**Renal Disease (4513-1116) - \$100,000**

These funds are earmarked for the National Kidney Foundation of MA, RI, NH and VT (Foundation). A contract is in place and services currently provided by the Foundation have been expanded.

**Tobacco Control (4590-0300) - \$4,000,000**

The Tobacco control program has released and is in the process of reviewing proposals to expand culturally sensitive smoking cessation programs in Community Health Centers and to develop pregnancy smoking cessation pilot project in hospitals. The mini-grants to youth groups are in the process of being expanded from 40 to 80. In addition, local

programs with boards of health and other community agencies to partner with schools, health care providers and community agencies are being expanded. These programs will enforce smoke-free schools, educate local retailers about not selling tobacco to minors, and educate children and youth about the dangers of tobacco. All programs will be targeted to communities with smoking prevalence higher than the state average and must utilize strategies with proven effectiveness.

#### **Pediatric Palliative Care (4570-1503) - \$800,000**

The Pediatric Palliative Care Program has established draft standards of care, program standards, and funding criteria. An RFR has been issued for the identification of a statewide network of programs to begin operation in January, 2007. Children under 19 years old will be eligible for the program if they are:

- Diagnosed with life-limiting illness, such as cancer, AIDS, and other advanced illnesses; however, no life expectancy requirement may be imposed
- Not covered by a third party payer for the services provided

The services provided by the program will include pain and symptom management, case management and assessment, social services, counseling, bereavement services, volunteer support services and respite services.

#### **Suicide Prevention (4513-1026) - \$750,000**

Suicide prevention services through existing community-based programs have been expanded to gatekeeper training for elders and elder caregivers, screening for depression for men of middle age, survivor support services and postvention services after the occurrence of a suicide. Existing initiatives are in the process of being expanded for professional education, gatekeeper training, environmental strategies to reduce lethal means, the development of regional coalitions, reducing stigma, increasing awareness, improving linkages between mental health and substance abuse services and coalition development activities. Current surveillance of suicide and self-inflicted injuries have been enhanced to better understand the risk factors and circumstances associated with these injuries in Massachusetts' residents and to develop and disseminate data reports. An evaluation component will be added to suicide prevention efforts.

#### **Teen Pregnancy Prevention (4530-9000) - \$1,000,000**

Two new programs have been established in Taunton and Attleboro. These agencies were approved for funding under RFR 606612, but were not funded due to lack of monies. Citizens for Citizens, Inc. will be funded to replicate the "Focus on Kids" program in Taunton and Community Care Services, Inc. will be funded to replicate the "Making Proud Choices" program in Attleboro.

Expansion of programs to enhance healthy decision making, develop parent activities/workshops, trainings for youth service providers and technical assistance are underway.



**Community Health Workers**

This initiative has been on hold due to lack of funding. However a draft survey for DPH providers regarding use of community health workers has been developed and is being reviewed by key DPH staff.

## **Section 8: Merger of Non-group and Small Group Health Insurance Markets**

A special commission was formed to conduct a study intended to examine the impact of merging the non-group and small group health insurance markets on the availability of products and premiums charged to individuals and small group participants. In addition, the study is intended to analyze further the potential impact of reinsurance on the newly merged market. After receiving responses to both a Request for Information and a Request for Responses, the commission selected Gorman Actuarial as the independent contractor to perform the study. The contractor has met with the major insurance carriers doing business in the Commonwealth and intermediaries, has received requested data and has begun its analysis. The commission is meeting with Gorman Actuarial weekly to review the assumptions and modeling to be used in the study. The firm is scheduled to complete its review and submit a final report in December 2006.